

Port of Pasco Commission
Minutes of Regular Meeting of Port Commission
Held remotely and in person with Public Access
North Franklin Visitor Center- 661 S. Columbia Ave., Connell, WA
September 11, 2024 | 10:30 a.m.

CALL TO ORDER

Commissioner Ryckman called the meeting to order at 10:30 a.m. The meeting was attended in person and remotely via Zoom with Public Access through call in to 1-301-715-8592, meeting ID 6676918983.

Present: Commissioner Jean Ryckman, Commissioner Jim Klindworth, Commissioner Vicki Gordon, Executive Director Randy Hayden, Attorney Heidi Ellerd, Airport Director Buck Taft, Deputy Airport Director Don Faley, Finance Director Donna Watts, Director of Economic Development and Marketing Stephen McFadden, Director of Properties Mayra Reyna, Airport Business Manager Tara White, Office Administrator Shannon Kruiswyk, and Human Resources Director and Executive Assistant Lori French.

Guests: Connell Mayor Lee Barrow and City Administrator Cathleen Koch, Dana Herron, Cole Crapps of Field Group, and John Hawley of The Landing LLC.

APPROVAL OF AGENDA

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the agenda with the addition of Item 8.D. Motion passed unanimously.

CONSENT AGENDA

- a) Regular Meeting Minutes of August 28, 2024.
- b) Vouchers and Warrants #102803-102905, and Direct Deposits #24665-24709 in the amount of \$1,704,383.13 for the General Fund.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the consent agenda. Motion passed unanimously.

PUBLIC CITIZEN COMMENT

No public citizens provided comment.

ITEMS FOR ACTION

Landing Phase 2 Retail Building Construction Extension Request- Ms. White presented, the second phase of The Landing is in the permitting phase with the City of Pasco and has experienced several delays. Mr. Hawley of The Landing was in attendance to present a request for an extension on the project. Mr. Hawley discussed the delays and the permitting process, and requested a third extension on the project that would require completion by the end of 2025 and expressed his confidence that the project would be completed by that time.

Commissioner Gordon moved and Commissioner Klindworth seconded to approve the completion date for both the multi-tenant flex building and the multi-tenant retail building referenced in two leases with The Landing LLC be extended to December 31, 2025. Motion passed unanimously.

BNSF Letter for Reimann Phase 1 Rail- Mr. McFadden presented, the Reimann Industrial Center Phase #1 Rail Project design will be completed soon and will go to BNSF for approval. Costs for the three projects that will be completed by BNSF for Phase #1 are below, and the standard BNSF practice is to pre-bill the entity for the work, with adjustments to follow by bill or credit.

1. Install turnout/rail switch \$345,737.00
 2. Relocate BNSF telecommunications infrastructure \$332,578.00
 3. Electrical line relocation for Signal \$28,159.00
- Sub Total \$706,474.00
5% Port Contingency \$35,323.00
Total \$741,797.00

The contingency is intended to cover minor cost escalations that may occur, and the majority of Phase #1 project costs are covered by the \$7.5 million Capital Budget appropriations provided by the Washington State Legislature for RIC infrastructure projects.

Commissioner Klindworth moved and Commissioner Gordon seconded to approve the prepayment of \$741,797.00 to BNSF Railway for work it will perform as part of the Reimann Industrial Center Phase #1 Rail Project. Motion passed unanimously.

Premier Industrial Support WH6B4 Lease-- Ms. Reyna presented, staff received an offer for Warehouse 6 Bay 4 from Premier Industrial Support LLC. They have requested to defer a portion of the rent until April, as they are relocating due to their desire to expand. The potential tenant requested a partial rent deferment of 6 months with a 7% standard discount for a 5-year lease. Ms. Reyna noted that the Finance Director would perform a review of the company's financials prior to the signing of the lease.

Commissioner Gordon moved and Commissioner Klindworth seconded to authorize the Executive Director to execute a 5-year lease agreement with Premier Industrial Support LLC for Warehouse 6, Bay 4, located at 3599 E Ainsworth, with 50% of the rent for the first 3 months and 25% for the second 3 months deferred until April 2025 contingent on financial review. Starting in April 2025, a 7% discount will be applied per Resolution No. 1623. The Executive Director is also authorized to make minor adjustments to the lease, with approval from the Port attorney, as necessary to finalize the agreement. Motion passed unanimously.

Sonilex Industries Rent Deferral Request- Ms. Reyna presented, Sonilex Industries signed a 3-year lease for Bldg T-179 for which they were scheduled to begin paying rent on September 15th, 2024. The tenant has been diligently working on remodeling and preparing the building for their use. The racking that they ordered is currently being shipped and delivered, with an approximate date of installation this week. However, the permit that they have submitted to the City of Pasco has not yet been approved. Until the racking is in place and approved by the City they are unable to move their inventory from their previous location. Because they have not been able to move, they had to request an extension on their lease at their current location. Sonilex has requested to defer their rent start date from September 15th to October 1st.

Commissioner Klindworth moved and Commissioner Gordon seconded to authorize the Executive Director to execute an amendment to the Sonilex Industries lease, modifying the payment starting date from September 15th, 2024, to October 1st, 2024, with the end date of the lease to also be modified to accommodate the change of lease dates. Motion passed unanimously.

ITEMS FOR DISCUSSION

City of Connell Update- Mayor Barrow and Administrator Koch were in attendance to provide an update on the City of Connell. The mayor discussed Connell's Fall and Winter Festivals, the Ace Hardware and new grocery store that are in the building process, as well as the Oasis housing development.

Ms. Koch discussed the City's request for .09 Funds, and the Connell Rail Interchange and the impact on Connell. Ms. Koch also discussed Franklin PUD's upcoming fiber service.

Port Commissioners, staff and Mayor Barrow and Ms. Koch all noted the partnership and work between the Port and City of Connell.

Executive Director Job Description- The Commissioners discussed the draft job description for the Executive Director position. Mr. Hayden and the Commissioners discussed the recruiting firm process, noting that the job description will come back to the Commission at the end of the month, and again once the recruiting firm is able to review for recommended changes. Ms. French discussed best interview and hiring practices and protected information that may come up in the candidate interview process. Commissioners Ryckman and Gordon suggested additions to the job description and candidate information packet that will be incorporated into the final versions for Commission consideration.

Tour of C Street Vault- The Commission and Port staff participated in a tour of the North Franklin Heritage Museum's C Street Vault led by Shelly Harper. Members of the public were invited to attend the tour of the Vault.

Director Reports:

1. Executive Director
 - a. Mr. Hayden noted that he will be presenting at the Franklin County Historical Museum on the history of the Port.
 - b. The first Strategic Plan Meeting will be held on October 22nd. Individual interviews will be held before that date, and additional details will be provided soon.
 - c. Mr. Hayden will be meeting with James Sexton of JMS and the City of Pasco tomorrow.
 - d. Mr. Hayden noted the joint meeting between Port of Pasco and Port of Kennewick that will take place on the 9th of October.
 - e. Mr. Hayden discussed the Brownfield Funding Meeting organized by the Benton Franklin Council of Governments.
 - f. Mr. Hayden discussed the Franklin County 1+1 Meeting and .09 Fund.
2. Port Attorney
 - a. Ms. Ellerd discussed the Express Jet bankruptcy and the settlement check.
3. Airport Director

- a. Mr. Taft discussed taking the Benton Franklin Council of Governments on a tour of the Airport and noted that it was discussed that the BFCOG would include the Airport in more of their area plans.
 - b. Mr. Taft noted that the TSA is planning an addition of a third TSA checkpoint lane.
- 4. Airport Deputy Director
 - a. Mr. Faley discussed the new crash phone.
 - b. Mr. Faley discussed the pending change order for the credit card parking lot fiber line
 - c. Work on the East GA project has begun, and the Airport will hold its annual Tabletop Exercise next week.
- 5. Finance Director
 - a. Ms. Watts noted that the accounting staff is on schedule for the 2025 budget and is working on preparing for the new software system.
- 6. Director of Economic Development and Marketing
 - a. Mr. McFadden discussed the EDM Report and his meeting with Pasco School District and Darigold.
- 7. Director of Properties
 - a. Ms. Reyna noted that the properties staff is working on lease renewals.

Commissioner Reports:

Commissioner Klindworth noted that he would like to see more participation at the Port from North Franklin County and to make sure the Franklin County Graphic is notified of future meetings in Connell.

Commissioner Gordon noted that she is participating in the Strategic Plan process for WPPA and also participated in the BFCOG Brownfields meeting.

Commissioner Ryckman noted that she will be attending the Pendleton Round-up with the CTUIR Board on behalf of the Port.

ITEMS FOR INFORMATION

Williams Distributing LLC Lease- Williams Distributors, LLC was subletting space from Troy Heaton in Building #35. Recently, Mr. Heaton terminated his lease for that space, effective 8/31/24. Due to the current condition and needed electrical work, the Port planned to take this space off its inventory until decisions have been made regarding the future of this space. However, due to some transitional needs of Williams Distributors, LLC, Port staff agreed to lease the space to them for a period not to exceed 90 days. A month-to-month lease agreement became effective September 1, 2024, and will end no later than November 30, 2024. The value of the lease is \$3,808.80 for 90 days. The Executive Director has executed the lease, as per the Commission’s Delegation of Authority Policy.

Credit Card Lot Expansion Project Change Order #1- Through Delegation of Authority the Executive Director signed change order 1 for the Credit Card Expansion Project. This change order was in the amount of \$4,695.77 including Washington State Sales Tax. This change order is related to lowering the existing Port of Pasco fiber cable conduit in the expansion area. During grading for the Credit Card Lot Expansion area, the contractor found the existing fiber conduit was at their grading limits and to prevent damaging the conduit and fiber cable they needed to lower the conduit.

PCI Change order #1 Parking Lot Equipment- The Port recently executed an agreement with Parking Concepts to install new parking equipment in the airport parking lots. Once the project was completed staff realized that it could not roll the video call system over to a cell phone thereby requiring a piece of equipment to transition from video to audio. The total cost of this equipment along with installation and sales tax is \$2,504.70. Through delegation of authority, the Executive Director executed change order #1 with Parking Concepts Inc. in the amount of \$2,504.70 including sales tax. This brings the total contract to a total of \$548,299.86.

RECESS

At 12:08, Commissioner Ryckman recessed the meeting for lunch until 12:35.

EXECUTIVE SESSION

At 12:35, Commissioner Ryckman announced that the meeting would go into Executive Session for 10 minutes, to consider the acquisition of real estate by purchase.

At 12:45 the regular meeting was resumed.

At 1:27, Commissioner Ryckman announced that the meeting would go into Executive Session for 30 minutes to consider the selection of a site by purchase, with no action to follow.


At 1:57, the regular meeting was resumed.


ADJOURNMENT

At 1:57 am the meeting was adjourned.

Port of Pasco Commission:


Jean Ryckman, President


Jim Klindworth, Vice-President


Vicki Gordon, Secretary